

## FACT SHEET

### EX-IM BANK FINANCIAL INSTITUTION SUPPLIER CREDIT MULTIBUYER INSURANCE POLICY

#### Policy Description

The Financial Institution Supplier Credit Multibuyer Policy protects lenders financing or purchasing export receivables on a non-recourse basis. Qualified lenders (policyholders) have delegated authority to approve exporters and many of the buyers that exporters elect to finance. Ex-Im Bank underwrites the largest buyer credit limits requested. The policy is available in documentary and non-documentary formats.

#### Eligible Financial Institutions

- Minimum 3 years financing or purchasing export or domestic receivables.
- Minimum short-term debt ratings of: Standard + Poors “A” or better, or Moody’s “P-2” or better.
- Written business plan to finance or purchase export receivables including identifying sufficient credit management and staffing resources to process large transaction volumes.

#### Comparison of Policy Formats

	<b>Documentary Policy</b>	<b>Non-Documentary Policy</b>
Eligible Exporters	<ul style="list-style-type: none"><li>- SBA small business*</li><li>- average annual export credit sales for prior 2 years is less than \$3,000,000 (excludes cash-in-advance and confirmed L/C sales).</li></ul>	<ul style="list-style-type: none"><li>- SBA small business*</li></ul>
Exporter Certificate	Required. Exporter provides representations regarding U.S. content and shipping requirements.	Not required. Financial institution is responsible for U.S. product and export requirements.
Documentary Cover Feature	If properly authorized representations exist within Exporter Certificate(s), and other documents are in compliance with policy requirements, claims may be paid regardless of: fraud in underlying transaction; dispute in underlying transaction; non-shipment of goods; or shipment of non-U.S. goods.	N/A

\* “Small business” is defined in the Small Business Administration’s Size Regulations Part 121, according to the exporter’s specific industry. Determination of “small” includes any affiliates of the exporter.

<b>Documentary Policy</b>		<b>Non-Documentary Policy</b>
Percentage of Coverage:		
Sovereign Public Sector Obligors	100%	100%
Political Risks	100%	90%
Commercial Risks	95%	90%
Approved Agricultural Commodities	98%	98%
Letter-of-Credit Transactions	Excluded; use Bank Letter of Credit Policy	Excluded; use Bank Letter of Credit Policy
Deductible	None	None
Discretionary Credit Limit (Buyer Credit Approval)	Amount underwritten per policyholder	Amount underwritten per policyholder
Uninsured Retention	The insured must remain at risk uninsured and unsecured.	The insured must remain at risk uninsured and unsecured.
Recourse to Exporter	Limited to amounts non-compensable under the policy (excludes retention).	Limited to amounts non-compensable under the policy (excludes retention).
Policy Period	One year; renewable	One year; renewable
Premium Rates	Small Business Rate Schedule	Market-Based Single-Buyer Rates
	Payable per \$100 of the export receivable's financed amount.	Payable per \$100 of the export receivable's financed amount.
Report Financings	Due with premium by 30 <sup>th</sup> of month following the month when exporter's shipment occurred.	Due with premium by 30 <sup>th</sup> of month following the month when exporter's shipment occurred.
Minimum Annual Premium	\$2,000	\$2,000, or none if documentary policy also purchased.
Advance Premium	\$2,000	\$2,000, or none if documentary policy also purchased.
Interest Rate Cover Cap	Rate contracted in financing agreement with exporter(s).	For U.S. dollars, Wall Street Journal prime rate less 0.5% per annum (fixed or float); see policy documents for other currencies.
Post-Maturity Interest	Covered up to 180 days after default.	Covered up to 180 days after default.

	<b>Documentary Policy</b>	<b>Non-Documentary Policy</b>
Claim Filing Window	90 to 240 days from due date.	90 to 240 days from due date.
Claim Payment	Within 60 days of claim receipt if in compliance with all policy terms and conditions.	Within 60 days of claim receipt if in compliance with all policy terms and conditions.
Information Requirements for Delegated Authority to Approve Exporters	<p>Please refer to specimen copy of Ex-Im Bank's "Endorsement for Delegated Authority to Approve Exporters."</p> <p>Ex-Im Bank retains the sole authority to qualify exporters for documentary coverage. See Ex-Im Bank's <u>Short-Term Credit Standards</u> (EIB99-09) - Exporter Credit Standards for information requirements to qualify for documentary coverage.</p>	Please refer to specimen copy of Ex-Im Bank's "Endorsement for Delegated Authority to Approve Exporters."
Information Requirements for Buyer Credit Approval:		
- Policyholder Delegated Authority	Please see specimen copy of Ex-Im Bank's Discretionary Credit Limit Endorsement.	
- (SBCL) Larger Buyer Credit Limit Application	Refer to Ex-Im Bank's published <u>Short-Term Credit Standards</u> (EIB99-09) - Buyers. Depending on the amount of the credit limit; a credit report, a bank reference, one or two trade references and two or three years' financial statements are required.	
Accessing Information on this Policy	Specimen copies of policy documents, forms, and credit information requirements including Ex-Im Bank's Short-Term Credit Standards are available in Ex-Im Bank's Website (www.exim.gov).	

#### **MORE INFORMATION**

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Southwest - Houston (281) 721-0465 Fax (281) 679-0156  
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